

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 5 77 WEST JACKSON BOULEVARD CHICAGO, IL 60604-3590

REPLY TO THE ATTENTION OF:

SEP 3 2010

(AE-17J)

<u>CERTIFIED MAIL</u> RETURN RECEIPT REQUESTED

Patrick Monnot, Environmental Manager Republic Engineered Products, Inc. 2633 Eighth Street, N.E. Canton, Ohio 44704

Dear Mr. Monnot:

The United States Environmental Protection Agency (EPA) is issuing the enclosed Finding of Violation ("FOV") to Republic Engineered Products, Inc. ("REP" or "you") pursuant to Section 113(a)(3) of the Clean Air Act (the "Act"), 42 U.S.C. § 7413(a)(3). We find that you have violated the Act, the Title V permit requirements, and the Standards of Performance for Steel Plants: Electric Arc Furnaces and Argon-Oxygen Decarburization Vessels Constructed After August 17, 1983 ("NSPS AAa"), 40 C.F.R. § 60.270a et seq., at your Canton, Ohio facility.

Section 113 of the Act, 42 U.S.C. § 7413, gives EPA several enforcement options to resolve these violations, including issuing an administrative compliance order, issuing an administrative penalty order, bringing a judicial civil action, and bringing a judicial criminal action. EPA is offering you an opportunity to confer with us about the violations cited in the FOV. The conference will give you an opportunity to present information on the specific violations, and the steps you will take to bring the facility into compliance. Please plan for your technical and management personnel to attend the conference to discuss compliance measures and commitments. You may have an attorney represent you at this conference.

The EPA contact in this matter is Reza Bagherian. You may call him at (312) 886-0674 to request a conference. You should make the request no later than 10 calendar days after you receive this letter.

Sincerely,

hervl L. Newton

Director \

-Air and Radiation Division

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY REGION 5

IN THE MATTER OF:	
Republic Engineered Products, Inc.)) FINDING OF VIOLATION
Canton, Ohio) EPA-5-10-OH-25)
Proceedings Pursuant to Section 113(a)(3) of the Clean Air Act, 42 U.S.C. §	,))
7413(a)(3))

Finding of Violation

The U.S. Environmental Protection Agency ("EPA') is issuing this Finding of Violation ("FOV") to Republic Engineered Products, Inc. ("REP") under Section 113(a)(3) of the Clean Air Act (the "Act"), 42 U.S.C. § 7413(a)(3). The authority to issue this FOV has been delegated to the Regional Administrator of the U.S. Environmental Protection Agency, Region 5, and redelegated to the Director, Air and Radiation Division. EPA finds that REP has violated the Act, 42 U.S.C. §§ 7401 et seq., and the Standards of Performance for Steel Plants: Electric Arc Furnaces and Argon-Oxygen Decarburization Vessels Constructed After August 17, 1983 ("NSPS AAa") at 40 C.F.R. § 60.270a et seq., at the REP facility located in Canton, Ohio (the "facility"), as follows:

STATUTORY AND REGULATORY BACKGROUND

New Source Performance Standards

1. Under Section 111 of the Act, 42 U.S.C. § 7411, the Administrator promulgated the New Source Performance Standards ("NSPS") General Provisions, at 40 C.F.R. Part 60, Subpart A, and the Standards of Performance for Steel Plants: Electric Arc Furnaces and Argon-Oxygen Decarburization Vessels Constructed After August 17, 1983 at 40 C.F.R. § 60.270a et seq. Subpart AAa applies to each electric arc furnace ("EAF") constructed, modified or reconstructed after August 17, 1983. 40 C.F.R. § 60.270a.

2. 40 C.F.R. § 60.272a(a)(2) provides that no owner or operator subject to the provisions of this subpart shall cause to be discharged into the atmosphere from an EAF any gases which exit from a control device and exhibit 3 percent opacity or greater.

Title V Permit

- 3. Section 502(a) of the Act, 42 U.S.C. § 7661a(a), provides that it shall be unlawful for any person to violate any requirement of a Title V permit after the effective date of any Title V permit program approved by EPA.
- 4. The State of Ohio operating permit program was granted full approval by EPA on August 15, 1995, with an effective date of October 1, 1995 (60 Fed. Reg. 42045; 40 C.F.R. Pt. 70, App. A).
- 5. The regulation at 40 C.F.R. § 70.6(b)(1) specifies that all terms and conditions in a permit issued under a Part 70 program, including any provisions designed to limit a source's potential to emit, are enforceable by EPA under the Act.
- 6. The Ohio Environmental Protection Agency issued a Title V permit to REP for the facility, ID No. 1576050694, on December 29, 2005.
- 7. Pursuant to REP's Title V permit, for Emissions Units P905 (EAF #7) and P907 (EAF #9), visible emissions shall not exceed 3% opacity as a 6-minute average as measured at the discharge stack of the No. 4 Melt Shop baghouse when the emissions unit is operating.
- 8. Pursuant to REP's Title V permit, combined lead emissions from the control device for P905 and P907 shall not exceed 0.06 pounds per hour.
- 9. Pursuant to REP's Title V permit, for Emissions Unit P123 (Ladle Metallurgy Facility controlled with a baghouse), the pressure drop across the baghouse shall be maintained within the range of 3 to 16 inches of water while the Emissions Unit P123 is in operation.
- 10. Pursuant to REP's Title V permit, REP must check and record on a once-per-shift basis the furnace static pressure and the control system fan motor amperes and damper positions for both EAFs #7 and #9.
- 11. Pursuant to REP's Title V permit, for Emissions Unit P907, REP must perform daily checks when the emissions unit is in operation during daylight hours and when the weather conditions allow for any visible fugitive particulate emissions from any non-stack egress point from the building housing this emissions unit. The presence or absence of any visible particulate emissions shall be noted in an operations log.
- 12. Pursuant to REP's Title V permit, REP must check and record on a daily basis the

- pressure drop across the baghouse while Emissions Units P070, P071, P076 and P078 (#4, #5, #12 and #14 grinders at #5 steel conditioning controlled by a settling chamber and a baghouse) are in operation.
- 13. Pursuant to REP's Title V permit, for Emissions Units P070, P071, P076 and P078, REP must perform daily checks when the emissions unit is in operation during daylight hours and when the weather conditions allow for any visible fugitive particulate emissions from any non-stack egress point from the building housing each of the above emissions units. The presence or absence of any visible particulate emissions shall be noted in an operations log.
- 14. Pursuant to REP's Title V permit, for Emissions Unit P076, the pressure drop across the baghouse shall be maintained within the range of 3 to 8 inches of water while Emissions Unit P076 is in operation.
- 15. Pursuant to REP's Title V permit, for Emissions Unit P068 (#3 and #4 melt shops lime and alloy transfer, belt transfer and conveying system), REP must perform daily checks when the emissions unit is in operation during daylight hours and when the weather conditions allow for any visible fugitive particulate emissions from any non-stack egress point from the building housing this emissions unit. The presence or absence of any visible particulate emissions shall be noted in an operations log.

Factual Background

- 16. REP owns and operates a specialty steel-producing facility located at 2633 Eighth Street, N.E., in Canton, Ohio.
- 17. According to REP's approved Title V operating permit, REP operates, amongst others, the following emissions units at its Canton, Ohio facility: two electric arc furnaces (EAFs) identified as EAF #7 (P905) and EAF #9 (P907); #4, #5, #12 and #14 grinders at #5 steel conditioning identified respectively as P070, P071, P076 and P078; Ladle Metallurgy Facility identified as P123; #3 and #4 melt shops lime and alloy transfer, belt transfer and conveying system identified as P068.
- 18. On May 19, 2010, representatives of EPA and Canton City Health Department inspected the REP facility located in Canton, Ohio.
- 19. On May 16, 2009 and January 3 and 6, 2010, REP conducted observations of the visible emissions measured at the discharge stack vents of the No. 4 Melt Shop baghouse when the EAF #9 was operating.
- 20. From August 5 to 8, 2008, REP conducted a stack test at the No. 4 Melt Shop baghouse to measure, among other pollutants, lead emissions.

21. In 2009 and 2010, REP submitted Title V permit quarterly deviation reports to the Canton City Health Department.

Violations

22. Based on REP's observations of the visible emissions measured at the discharge stack of the No. 4 Melt Shop baghouse when the EAF #9 was operating, REP reported the following exceedances of the 3% opacity limit at its facility:

Date .	Time	Three-Minute Average Percent Opacity
January 6, 2010	10:36 – 10:42	5.2
	10:42 – 10:48	7.5
	10:48 - 10:54	7.0

- These exceedances are violations of visible particulate emissions standards in NSPS AAa, 40 C.F.R. § 60.272a(a)(2), and the visible particulate emissions opacity limit in REP's Title V permit.
- 23. Based on REP's observations of the visible emissions measured at the discharge stack of the No. 4 Melt Shop baghouse when the EAF #7 was operating, REP reported the following exceedances of the 3% opacity limit at its facility:

Date	Time	Three-Minute Average Percent Opacity
May 16, 2009	11:08 – 11:14	32.3
	11:14 – 11:20	24.8
	11:20 – 11:26	16.7
January 3, 2010	11:49 – 11:55	27.5

- These exceedances are violations of visible particulate emissions standards in NSPS AAa, 40 C.F.R. § 60.272a(a)(2), and the visible particulate emissions opacity limit in REP's Title V permit
- 24. According to the quarterly deviation reports submitted by REP to the Canton City Health Department, for Emissions Unit P123, the pressure drop across the baghouse while the LMF was in operation was not maintained within the range of 3 to 16 inches of water on the following days in violation of the Title V permit:

Date	Pressure Drop (inches of water)
August 20, 2009	16.5
September 15, 2009	16.39
September 27, 2009	17.13
January 1, 2010	19.25
January 4, 2010	17.67
January 19, 2010	16.34
February 20, 2010	18.32
March 7, 2010	16.58
March 8, 2010	16.49
March 19, 2010	2.89

25. According to the quarterly deviation reports submitted by REP to the Canton City Health Department, for Emissions Unit P076, the pressure drop across the baghouse while the #12 grinder at #5 steel conditioning was in operation was not maintained within the range of 3 to 8 inches of water on the following days in violation of the Title V permit:

Date	Pressure Drop (inches of water)
October 23, 2008	8.5
October 25, 2008	8.5

- During the stack test conducted from August 5 to 8, 2008, the three-hour average of lead emissions at the No. 4 Melt Shop baghouse was measured at 0.45 pounds per hour. REP failed to comply with the lead emissions limit of 0.06 pounds per hour as established in its Title V permit.
- 27. According to the semiannual report submitted by REP to the Canton City Health Department, REP failed on July 3, 2008 to perform the required daily check for visible fugitive particulate emissions from any non-stack egress point from the building housing Emissions Units P070, P071, P076 and P078.
- 28. According to the semiannual report submitted by REP to the Canton City Health Department, REP failed on July 3, 2008 to check and record the pressure drop across the baghouse while Emissions Units P070, P071, P076 and P078 were in operation.

- 29. According to the semiannual reports submitted by REP to the Canton City Health Department, for Emissions Unit P907, REP failed on November 30, 2008 to perform the required daily check for visible fugitive particulate emissions from any non-stack egress point from the building housing this emissions unit when EAF #9 was in operation.
- 30. According to the semiannual report submitted by REP to the Canton City Health Department, REP failed to check and record on a once-per-shift basis the furnace static pressure and the control system fan motor amperes and damper positions for both EAFs #7 and #9 on the following days in violation of the Title V permit: January 15, 2009; February 16, 2009.
- 31. According to the semiannual report submitted by REP to the Canton City Health Department, REP failed on January 1, 2008 and January 3, 2008 to perform the required daily check for visible fugitive particulate emissions from any non-stack egress point from the building housing Emissions Unit P068.

Date .

Chery L. Newton, Director Air and Radiation Division

CERTIFICATE OF MAILING

I, Loretta Shaffer, certify that I sent a Finding of Violation by Certified Mail, Return Receipt Requested, to:

Patrick Monnot, Environmental Manager Republic Engineered Products, Inc. 2633 Eighth Street, N.E. Canton, Ohio 44704

I also certify that I sent copies of the Finding of Violation by first class mail to:

Robert Hodanbosi, Chief Division of Air Pollution Control Ohio Environmental Agency Lazarus Government Center P.O. Box 1049 Columbus, Ohio 43216-1049

and

Dan Aleman, Administrator Air Pollution Control Division Canton City Health Department 420 Market Ave. North Canton, Ohio 44702-1544

on the <u>3</u> day of <u>1016</u>, 2010.

Coretta Shaffer, Secretary

AECAS, (MN/OH)

CERTIFIED MAIL RECEIPT NUMBER: 7001 0320 0006 0293 1121